

Committee on Ways and Means

Improving Quality Of Care In Hospitals

- The 2003 Medicare Modernization Act required hospitals, for the first time, to report a limited set of 10 quality indicators in order to receive a full update for inflation. This has improved quality and public reporting.
- The Deficit Reduction Act builds upon these accomplishments by:
 - Expanding the number of quality indicators to be reported by acute care hospitals and increasing the penalty for non-reporting;
 - Increasing transparency of quality and cost information through public release of the information;
 - Requiring the Secretary and the Medicare Payment Advisory Commission to submit to Congress by summer 2007 detailed blueprints on the specific criteria for pay-for-performance; and
 - Creating an incentive for hospitals to apply existing best evidence-based guidelines for reducing hospital-acquired infections by eliminating the overpayment for these cases.